

VT SUPERIOR COURT
WASHINGTON COUNTY
OCT 14 2014

**STATE OF VERMONT
SUPERIOR COURT**

IN RE: Gregory Finch

) CIVIL DIVISION

) Docket No.

)

2014 OCT 14 P 2:28
625-10-16 wncv

ASSURANCE OF DISCONTINUANCE

Vermont Attorney General William H. Sorrell ("the Attorney General") and Gregory Finch ("Respondent") hereby agree to this Assurance of Discontinuance ("AOD") pursuant to 9 V.S.A. § 2459.

REGULATORY FRAMEWORK

1. Vermont's Consumer Protection Act prohibits "unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce." 9 V.S.A. § 2453.

BACKGROUND

2. Gregory Finch is an individual residing at Sullivan, New Hampshire.
3. Vermont's Family Farm is a terminated Limited Liability Company with its previous place of business located at 15 Towle Neighborhood Rd., Enosburg Falls, VT 05450;
4. Gregory Finch operated his pig production operation through Vermont's Family Farm, and Gregory Finch was the sole member and manager of Vermont's Family Farm.
5. Respondent began producing pigs in 2009, purchasing approximately 100 pigs from within and outside of Vermont.
6. In 2009, Respondent circulated a protocol dated December 2, 2009 (the "Initial Protocol"), which stated that "[t]he pigs are born, grown and processed exclusively in the State of Vermont."

7. Respondent never stopped using pigs purchased out of state to supplement his Vermont-born stock. These “feeder” pigs were purchased, primarily, from New Holland, Pennsylvania, and were taken to the Enosburg Falls farm site.
8. Respondent never signed the protocol, but Respondent never amended the protocol to reflect his actual practices.
9. Although Respondent processed all of his pigs in Vermont, his pigs were never exclusively born or grown in the state of Vermont.
10. In January of 2014, Respondent signed a Black River Protocol, which required that his pigs be raised the lesser of 90 days or half their life in Vermont.
11. The pigs Respondent purchased from New Holland Stables were not in Vermont for half of their life.
12. The Attorney General alleges that, based on the records of purchases from New Holland Stables, located in New Holland, Pennsylvania, and the pigs remaining at Vermont’s Family Farm on February 13, 2015, when the Vermont State Veterinarian placed a quarantine order restricting the movement of livestock, Respondent could not have been maintaining the pigs in Vermont for a minimum of 90 days.
13. Both the Initial Protocol and the Black River Protocol additionally stated that Respondent’s pigs were raised antibiotic-free throughout their lifetimes.
14. While Respondent did not use antibiotics on any pigs in his care or custody that went to Black River, he is unable to substantiate the claims that the pigs were raised antibiotic-free and did not obtain records from New Holland Stables that addressed the use of antibiotics.

15. The representations made by Respondent regarding the origin of the pigs and circumstances of production were relied upon by Vermont Packing House for the labeling of slaughtered pigs, Black River Meats in packaging and distributing the pork, and Vermont Smoke and Cure in labeling and marketing its consumer products.
16. Consumers paid a premium price for products made from Respondent's pigs.
17. Except where otherwise indicated, Respondent admits the truth of all facts set forth in the Background section.
18. The Attorney General alleges that the above conduct constitutes unfair and deceptive acts and practices under 9 V.S.A. § 2453.

INJUNCTIVE RELIEF

19. Respondent must comply fully with 9 V.S.A. § 2454 and must cease making any unsubstantiated representations regarding any characteristic of his products, including without limitation the origin, use of antibiotics, other production practices, and treatment of livestock.

PENALTIES

20. Respondent shall pay civil penalties of \$143,875 to the State of Vermont.
21. Based on Respondent's demonstrated inability to pay the penalty listed in paragraph 21, and upon review of the financial information Respondent provided to the Office of the Attorney General, Respondent is required to pay only \$5,000 of the penalty, which shall be paid within ten days of both Parties signing this AOD. Respondent shall make payment to the "State of Vermont" and send payment to: Wendy Morgan, Assistant Attorney General, Office of the Attorney General, 109 State Street, Montpelier, Vermont 05609.

22. No later than May 1 of each calendar year beginning in 2017 and ending in 2021, Respondent shall submit to the Vermont Attorney General's Office accurate copies of his income tax returns for each of the calendar years 2016 through 2020, respectively, along with sworn and accurate statements of his then-current assets and liabilities. After 2021, Respondent shall no longer be required to submit any further tax returns and liability for any outstanding civil penalty under this Assurance of Discontinuance shall expire.

23. In the event that an income tax return or statement of assets and liabilities required by paragraph 23, above, shows that Respondent has pre-tax income exceeding \$50,000.00, and/or net assets exceeding \$80,000.00, Respondent shall, no later than June 1 of that year, pay to the State of Vermont, in care of the Attorney General's Office, an amount equal to 20 percent of any pre-tax income exceeding \$50,000.00, plus an amount equal to 20 percent of any net assets exceeding \$80,000.00, provided that once Respondent has paid a total of \$138,269 pursuant to this paragraph, he shall have no further liability under this paragraph or further obligation to report under paragraph 23.

24. Respondent will not have any obligation to pay amounts due pursuant to paragraph 24 from payments of benefits subject to statutory exemptions including, but not limited to Veteran's Benefits (38 U.S.C. § 5301); Social Security or Supplemental Security Income (42 U.S.C. §§407 and 1383); Unemployment Compensation Benefits (21 V.S.A. § 1367); Workers' Compensation Benefits (21 V.S.A. § 687); or Welfare or Public Assistance Benefits (33 V.S.A. § 124).

25. Respondent does not waive and shall be entitled to claim all exemptions under New Hampshire and Vermont law.

OTHER TERMS

26. Respondent agrees that this Assurance of Discontinuance shall be binding on Vermont's Family Farm, Gregory Finch, and their successors and assigns.
27. As Gregory Finch was the sole member and manager of Vermont's Family Farm, this Assurance of Discontinuance does not extend or apply to any spouse or family member of Gregory Finch, except to the extent that said spouse or family member becomes a successor or assign.
28. The Attorney General hereby releases and discharges any and all claims arising under the Consumer Protection Act, 9 V.S.A. §§ 2451-2480, that it may have against Vermont's Family Farm and Gregory Finch for the conduct described in the Background section between the dates of January 1, 2009, through March 1, 2015.
29. The Superior Court of the State of Vermont, Washington Unit, shall have jurisdiction over this Assurance and the parties hereto for the purpose of enabling the Attorney General to apply to this Court at any time for orders and directions as may be necessary or appropriate to enforce compliance with or to punish violations of this Assurance of Discontinuance.

NOTICE

30. Respondent may be located at:
Sullivan, New Hampshire.
31. Respondent shall notify the Attorney General of any change of address within 20 business days.

32. In the event that Respondent obtains any ownership or managerial interest in any business that engages in food production, Respondent shall notify the Attorney General of the name and address of the business.

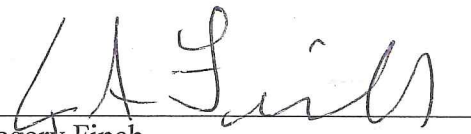
STIPULATED PENALTIES

33. If the Superior Court of the State of Vermont, Washington Unit enters an order finding Respondent to be in violation of this Assurance of Discontinuance, then the parties agree that penalties to be assessed by the Court for each act in violation of this Assurance of Discontinuance shall be \$10,000.

SIGNATURE

In lieu of instituting an action or proceeding against Respondent, the Office of the Attorney General, pursuant to 9 V.S.A. § 2459, accepts this Assurance of Discontinuance. By signing below, Respondent voluntarily agrees with and submits to the terms of this Assurance of Discontinuance.

DATED at Sullivan, NH, this 31st day of August, 2016.



Gregory Finch

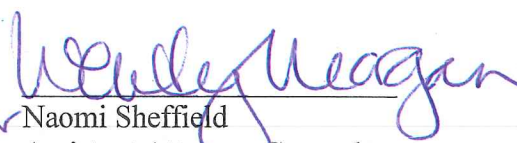
ACCEPTED on behalf of the Attorney General:

DATED at Montpelier, Vermont this 3rd day of October, 2016.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

By:


for Naomi Sheffield
Assistant Attorney General